

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

AGCS MARINE INSURANCE COMPANY,

Plaintiff,

v.

EXPEDITORS INTERNATIONAL OF
WASHINGTON, INC.,

Defendant.

AT LAW

NO.

COMPLAINT

COMES NOW Plaintiff AGCS Marine Insurance Company (hereinafter, "AGCS"),
as and for its Complaint against Defendant Expeditors International of Washington, Inc.
(hereinafter, "Expeditors"), alleges and avers as follows.

PARTIES

1. AGCS is a cargo insurer with its principal place of business in Chicago,
Illinois and is subrogated, by virtue of payments made under its policy of insurance, to the
rights of its insured Arrow Electronics, Inc. (hereinafter, "Arrow").

2. Defendant Expeditors International of Washington, Inc. is a company
organized pursuant to the laws of Washington with its principal place of business in Seattle,

1 Washington. Expeditors International of Washington, Inc. is a carrier engaged in and/or
2 arranges the transportation of goods for hire.

3 **JURISDICTION/VENUE**

4 4. This claim falls within the Court's diversity jurisdiction pursuant to 28 U.S.C.
5 § 1332 and federal question jurisdiction pursuant to 28 U.S.C. § 1331. Venue is appropriate
6 in this Court.

7 **FACTS**

8 5. Arrow entered into a "Freight Services Master Agreement" dated November
9 1, 2015, with Expeditors that required Expeditors to perform international air freight
10 forwarding services and to transport goods via air and/or truck transportation to a "delivery
11 point" specified by Arrow. The Agreement provides that its terms exclusively shall apply to
12 any shipment and that "no terms and conditions from Service Provider [Expeditors] shall
13 apply."

14
15 6. Pursuant to this agreement, Arrow directed Expeditors to transport a shipment
16 comprising 172 cartons of electronics parts from Manila to Arrow's facility in Reno,
17 Nevada. Expeditors arranged for the air portion of the transportation with Emirates Airlines
18 and thereafter delivery by truck with JIT Transportation.

19 7. The shipment was picked up on or about January 29, 2019, in Manila and
20 delivered to Arrow in Reno on February 18, 2019.

21 8. Upon delivery, forty two (42) of the cartons were observed to have wetting
22 damage, which was noted on Expeditors' Delivery Order. A subsequent investigation
23 determined that the cartons were a constructive total loss. The damage was caused solely
24 due to fault by Expeditors.

25 9. The value of the damage shipment was approximately \$162,744.00.

1 10. The Agreement provides that “Service Provider [Expeditors] shall be liable
2 for loss, damage, or package damage in transit or at a facility while in the possession of or
3 under the care, custody or control of Service Provider or Service Provider’s third-party, or
4 due to any performance of failure to perform such Services, however such loss or damage
5 occurred.”

6 11. The Agreement provides that Arrow should provide notice of loss within
7 thirty (30) days of receipt of the cargo. Arrow sent written notice of loss to Expeditors on
8 March 7, 2019. Arrow invited Expeditors to participate in a joint survey of the cargo.
9 Expeditors did not respond to this invitation, nor requested to survey the goods. All
10 conditions precedent for pursuing this claim have been met.

11 12. At all times relevant, Arrow was insured for loss or damage to its cargo
12 pursuant to an insurance policy issued by AGCS. AGCS has paid to its insured Arrow the
13 amount of \$162, 713.01 in connection with the claimed damages to the cargo pursuant to its
14 insurance policy. As a result, AGCS became subrogated to the rights of its Arrow to pursue
15 this claim to the extent of such payment and of any future payment.
16

17 13. Arrow delivered the cargo of electronics to Expeditors in good order and
18 condition. Expeditors delivered the cargo in a damaged condition in breach of its
19 obligations under the Agreement.

20 14. As a result of Expeditors’ negligence and breach of the Agreement, AGCS is
21 entitled to recover from Expeditors all payments made or to be made to its insured in an
22 amount to be proven at trial.

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1 WHEREFORE, Plaintiffs AGCS MARINE INSURANCE COMPANY prays that the
2 Court enter judgment in its favor against Defendant Expeditors International of Washington,
3 Inc. in an amount to be determined at trial, including pre and post judgment interest, taxable
4 costs, recoverable legal fees and costs, and such other and further relief as it deems just and
5 proper.

6 DATED this 13th day of February, 2020.

7 GASPICH LAW OFFICE PLLC

8
9 s/ Anthony J. Gaspich

10 Anthony J. Gaspich, WSBA No. 19300
11 Attorneys for Plaintiff AGCS Marine Insurance
12 Company
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